

# **COUNTY OF YORK**

## **MEMORANDUM**

**DATE:** April 30, 2002 (BOS Mtg. 5/21/02)

**TO:** York County Board of Supervisors

**FROM:** James O. McReynolds, County Administrator

**SUBJECT:** Rental Subsidy Programs / Annual Funding Renewal

### **Background**

Nationally, the US Department of Housing and Urban Development (HUD) provides funding for subsidy programs that assist low-income citizens in renting privately owned housing. In Virginia, these HUD funds are managed on a state-wide basis by the Virginia Housing Development Authority (VHDA).

York County has operated rental subsidy programs since 1979. These services represent an important and critically needed resource for the County's lower income residents. The programs are implemented by the Housing and Neighborhood Revitalization Division of the County's Community Services Department. VHDA issues rent payments directly to owners following the submission of leases and contracts by staff of the Housing Division. Consequently, the County's budget reflects only the administrative reimbursements that York receives to defray the cost of implementing the programs. Total rent, utilities and administrative payments for 2003 are projected to be in excess of \$1,500,000.

To summarize these programs:

### **Section 8 Vouchers**

These funds subsidize low-income families in renting privately owned dwellings dispersed throughout the County.

?? The program administration involves processing of tenant eligibility, recruiting suitable dwellings, negotiation of rents, dwelling inspections and identification of repairs, preparation of leases, contracts, requests for subsidy checks, and a variety of landlord/tenant counseling services.

?? York administers three very specialized initiatives which are included in the Voucher programs:

- A) Subsidies set-aside for those with physical or sensory disabilities who are assisted by the Center for Independent Living (CIL).
- B) Subsidies reserved for clients receiving mental health or mental retardation services from the Colonial Services Board.
- C) Subsidies reserved for clients from York-Poquoson Department of Social Services (DSS). This is the "Family Unification Program" for

those families that are in imminent danger of being separated due to inadequate housing.

There is no new competition for rental subsidy funds annually. The programs are renewed each year through the execution of an agreement between the County and VHDA.

**Moderate Rehabilitation**

York County formerly administered the contract between VHDA and the owners of the Yorkshire Townhouses that disburses these HUD funds. The contract became effective in 1983 after rehabilitation construction was complete. Although the complex remained privately owned, it was contractually bound to HUD and the County of York and accepted only those tenants who are eligible for rental assistance. The original term of the 15-year contract expired in 1998, and had annual 12-month renewals for three additional years.

The current owners purchased the project in November 2001 and have undertaken substantial rehabilitation under the State's Low Income Tax Credit Program. The rehabilitation is being conducted in phases. Tenants residing at Yorkshire Townhouses either have been, or will be, issued vouchers to continue their assistance. The first phase of rehabilitated buildings is expected to be available to tenants in August 2002.

**Recommendation**

Annually, the County adopts a resolution to authorize the County's participation in these programs. The attached resolution authorizes the County Administrator to continue the operation of these programs for the upcoming fiscal year. Therefore, it is my recommendation that the Board adopt Resolution R02-100 which authorizes the County Administrator to take all actions necessary to accept federal funds and continue this important service to York's lower income residents.

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